

HOUSE BILL REPORT

HB 1713

As Reported by House Committee On:
Health Care & Wellness

Title: An act relating to the Washington state health insurance pool.

Brief Description: Concerning the Washington state insurance pool.

Sponsors: Representatives Cody, Green and Moeller.

Brief History:

Committee Activity:

Health Care & Wellness: 2/6/09, 2/20/09 [DPS].

Brief Summary of Substitute Bill

- Directs the Board of the Washington State Health Insurance Pool (WSHIP) to conduct a study of sustainable funding sources for WSHIP operations.
- Extends the length of time between Standard Health Questionnaire recertifications from 18 to 36 months.

HOUSE COMMITTEE ON HEALTH CARE & WELLNESS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Cody, Chair; Driscoll, Vice Chair; Ericksen, Ranking Minority Member; Bailey, Campbell, Clibborn, Green, Herrera, Hinkle, Kelley, Moeller, Morrell and Pedersen.

Staff: Dave Knutson (786-7146)

Background:

In the individual health insurance market a person applying for coverage must first take the Standard Health Questionnaire (SHQ). If their score places them in the 8 percent of highest-cost cases the health carrier may reject them for coverage. At that point the person is eligible for coverage through the Washington State Health Insurance Pool (WSHIP). The Board of the WSHIP is required to recertify the SHQ every 18 months to ensure it continues to identify the 8 percent of highest-cost cases. The cost of providing WSHIP coverage is paid

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for by an assessment on insurance companies operating in Washington. There are limited public funds available to help make WSHIP premiums affordable for enrollees.

Summary of Substitute Bill:

The Board of the WSHIP will recertify the SHQ every 36 months rather than every 18 months. The Board of the WSHIP will also conduct a study to identify a stable, sustainable funding source for the operation of the WSHIP.

Substitute Bill Compared to Original Bill:

The provision is deleted that a person who is Medicare-eligible will also be eligible for WSHIP coverage if they do not have access to a reasonable choice of more than one Medicare Advantage plan.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) It is important that people who only qualify for health insurance coverage through the WSHIP have access to affordable coverage. The WSHIP board should identify an ongoing, stable source of funding to help subsidize premiums through the WSHIP.

(With concerns) It is premature to change the eligibility for WSHIP related to Medicare-eligible individuals. Congress may change the Medicare Advantage program in the next few years.

(Opposed) None.

Persons Testifying: (In support) Karen Larson, Washington State Health Insurance Pool; Mathew Damon, consumer advocate; and Erick Seelbach, Lifelong AIDS Alliance.

(With concerns) Pete Cutler, Office of the Insurance Commissioner.

Persons Signed In To Testify But Not Testifying: None.